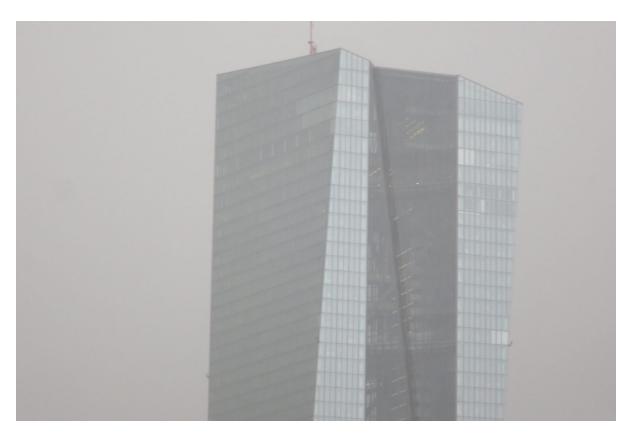ACHIM SZEPANSKI   2023-02-10

THE MOVEMENT OF THE AVERAGE RATE OF PROFIT IN MARX

ECONOFICTION   CAPITAL, FALL OF PROFITRATE, MARX, MARXISM, PROFITRATE

A discussion of the law of the tendential fall of the general rate of profit may serve to deepen the problem of progress, growth and crisis of capitalism. First, however, it is necessary to discuss the formal-logical, the conceptual conditions that Marx needs in the third volume of Capital in order to arrive at the presentation of the law at all. According to Marx, the distribution of the total social profit as a result of a "transformation" of the total surplus value in circulation, which is yet to be discussed, among the respective capitals occurs in such a way that each industry and eventually

each enterprise tends to achieve an average rate of profit. (Cf. Stamatis 1977: 199-200) Marx presupposes an average distribution of profit as a fact (and this understood as the so-called tendency of a real movement), whereby the profit drawn by an individual capital is supposed to develop analogously to the relation individual capital – total capital. Thus, the relation of profit and advanced capital for individual capital tends to be equal to the relation of total surplus value to total capital. (Ibid.: 47ff.) And since all individual rates of profit are considered equal, finally something like a general (average) rate of profit results. (Ibid.: 143f.) This must contain the solution to the question why capitals with different organic compositions (ratio of constant to variable capital) tend to achieve an average rate of profit which, according to their size, yields them approximately equal profits. Thus, there is apparently something like a "redistribution" of the newly created surplus value (M) at the total level of capital here, which presents itself as a process of producing the general average rate of profit. Under the condition of the productive application of constant and variable capital, surplus value is created, which under the condition of competition for individual capitals appears in the form of profit. For Marx, the question whether the average rate of profit is to be calculated in values or prices of production is initially irrelevant, because on the overall level the produced aggregates of the value and price system are supposed to correspond to each other. Consequently, at least on the macro level, no change of value magnitudes takes place through the "redistribution" of profits, but only a change of the relative price structure, which marks the respective share of individual capital in the total mass of value that can be realized in circulation. The equation of price sums and value sums as well as of profit sums and surplus sums on the level of total capital, i.e., the congruence of price and value, is for Marx, in the context of the representation of the capital relation as a total context, the result of a conceptual achievement that requires a discursive simulation, excluding the interconnections and temporal shifts qua virtualization/updating of the plural capitals that take place in reality. In the conceptual representation, Marx presupposes total capital in the third volume of Capital and always treats it as if it referred to pre-existent quanta of value. Thereby, the quasi-transcendentality of capital corresponds to a representation that presents real disequilibrium processes as if they were actually taking place under equilibrium conditions. (Strauß 2013: 192) And the regularity of averaging profit rates in circulation is described as if existing prices were based on presupposed values. (Ibid.: 199)

Marx's account of the transformation of values to prices has quickly provoked the charge that he has not consistently taken the problem to its logical conclusion, because he includes it only in terms of the "redistribution" of surplus value (m) and precisely not in terms of the transformation of the elements of constant (c) as well as variable capital (v). Sweezy put this succinctly: "It is not difficult to find the source of Marx's error. In his price scheme, the capitalists' expenditures of constant and variable capital remain exactly the same as in the value scheme. Constant capital and variable capital used in production are still expressed in values. Outputs, on the other hand, are expressed in prices. Now it is clear that in a system where price accounting is universal, both the capital used in production and the product itself must be expressed in prices. The difficulty is that Marx stopped halfway in the transformation of values into prices." (Sweezy 1971: 140)

In systems with universal price accounting, therefore, it does not seem possible to express the

advanced constant capital and the variable capital in values while at the same time outputs appear as prices; rather, both the advanced capital and the goods produced are each already expressed in prices. Marx, however, is well aware of this problem; he points out in the context of the presentation of the averaging of rates of profit that the prices of the commodities produced by individual capital do not contain individually achieved surplus value, but with their priciness each already includes average rates of profit, which in Marx's calculus leads to individual prices of production (average profit + c + v), which count as inputs. (MEW 25: 208) The nevertheless value-oriented price of production includes surplus value (m) transformed into profit, as opposed to the cost price ("replacement value" for the capital c + v advanced by an individual capital in a given production period). But of course this also means that the cost prices of the capital advanced for the next production period can no longer correspond to their value; they are always already production prices for the buyer of potentially new capital. Thus, for the buyers of machinery, raw materials, etc., their value-determined cost prices are equal to the production prices of the sellers of these products. Thus, each already price-determined average profit enters into the (value-based) cost prices of future productions. (For the labor theory of value there is here the problem of maintaining a "bourgeois" concept of capital, the identity of value sums and price sums, whereby prices add something to values by adding nothing to them). This results simply from the fact that the "values" of cost-price commodities entering the production processes in the future have to be regarded as the product of individual capitals, each of which is already subject to the equalizing movement of average rates of profit, whereby commodities which a certain branch obtains as means of production and labor are always end products of another branch. Consequently, we have to do with a temporal relation of preliminary products and final products as well as with the interconnectedness of the different industries. At this point one could raise the objection against Marx that here the prices for the advanced capital are presupposed, although the production prices would have to be developed from the averages of the profit rates.

The individual capital must first of all compensate the costs expressed in prices with the sale of its goods and in addition realize a price-determined profit, which tends to relate to its own capital (equity capital plus borrowed outside capital) like the total surplus value to the total capital, so finally the demand or decision of Marx. (Cf. Stamatis 1977: 189ff.) In the process, the formation of average profits over competition asserts itself as a constraint on individual capitals. The treatment of the relation of value analysis to the price level includes a "redistribution" of surplus value through the mechanisms of competition, it leads to the transformation of the value system into a production price system. In this process, the cost price for individual capital is considered to be the equivalent of the capital spent in a given period; it includes variable capital and constant capital, but as fixed capital only a part – wear and tear of machinery, which is fixed in accounting as depreciation – is included in the value of the goods produced in a given period. At this point, Marx does not take into account the effects of credit and the shifts in the structure of production that are possible with it, nor does he show how value-oriented cost prices are permanently modified by production or market prices entering into them. (Cf. Strauß 2013: 286f.) The distribution of social surplus value takes place in real terms through an infinite number of

turnovers, in different frequencies, through jumps and interruptions, which Marx tries to capture as a tendency to form average rates of profit. In this context, the referential connections Marx cites in the conceptual account to explain averages are manifold: socially necessary labor time, abstract labor, development of productive forces, and so on. The mere reference to further reference points, such as the average organic composition of capitals, only further postpones the problem, because one must then indeed assume a universal machinery of production.

The question still remains why capitals with different organic compositions (ratio of constant to variable capital) tend to achieve an average rate of profit which, according to their size, yields them approximately equal profits. Even in determining a social scale for measuring the organic composition of capital, Marx assumes a movement toward the formation of averages. (Ibid.: 290) To get a little closer to the matter, let us consider, for example, two capitals: capital A with high labor input and low organic composition of capital, and capital B with high organic composition of capital and low labor input. (We now assume that capital A yields proportionally higher profits than capital B, because the profit is higher for capital A due to the use of a larger number of workers per product.)

Capital A has the following composition: 70c, 20v, 10m, has an organic composition of 70/20. The rate of profit for capital A is: 10/70 + 20 (11.1%):

Capital B has the composition: 80c, 10v, 5m; has an organic composition of 80/10. The rate of profit is for Capital B : 5/80 + 10 (5.5%). Capital A obtains a price of 100, Capital B a price of 95 and the average profit rate is 8.2%. The cost price for both capitals is 90. With respect to the average pricing, the following picture now emerges: 1.082 x 90 = 97.38.

In the movement to average the profit rates, it can be seen that for capital A, the price of production decreases relative to value, and that of capital B increases relative to value. Consequently, the correction mechanisms of competition, which are at the same time those of the equalization movements or averaging, lead to the fact that above-average productive enterprises sell their goods above their individual value and below-average producing enterprises sell below their individual value. In the calculation shown, the quantified profit is reduced for capital A, while it is increased for capital B. This kind of distribution takes place. This kind of distribution takes place in circulation, i.e., commodity values have to be realized as prices in circulation by setting prices successively. Capital B could not buy the outputs of A at all, if the individual values were set as prices, it would simply not have the money available over longer periods. And so it must come to the equalization of the rate of profit with advantages for capital B. (Strauß 2013: 290) Prices must therefore, and this is also testified by the empiricism of capital movements, always move towards deductibility in circulation, although the credit mechanism can be used to postpone this type of process, but not to eliminate it 100%. (Ibid.: 294f.) And price determinations would thus, with respect to their power to fire investment, ever already be interpreted as "scarcity signals" with respect to realizable shares of the socially total surplus value produced. The equalizing movements can now also be explained by the fact that capital B with a high organic composition first has to show capital outflows, if one assumes here a lower rate of profit than in the case of capital A, while capital A with a low organic composition makes

additional investments because of the higher rate of profit, whereby this structuring of capitalist investments just leads to the fact that eventually money capital flows from sectors with low organic composition back to sectors with high organic composition, since in the latter sectors prices will rise again in the medium term due to rising demand, while in the former they will fall in the medium term due to falling demand. Without these rebalancing movements, the system would eventually break down.

With the formation of average profit rates it becomes apparent that the formula for the determination of the commodity value $P = c + v + m$ can no longer be correct, at least for individual capital, because its individually realized profit is not based on an individually produced surplus value, but on the average profit, so that we are dealing here with the ratio of already price-determined advanced capital and price-determined average profit. But Marx now claims to show that the so-called law of value, on which finally capital valorization is to be based, functions on the basis of the economy as a whole. And as a tendential law it asserts itself precisely through the successive setting of prices, through repetitive constants, which are precisely those of averaging. Therefore, the formula $P = c + v + m$ might not work on the level of individual capital, but it tends to work with regard to its contribution to the total social commodity value of capitals, the potentially objective wealth in capitalism as a whole. (Ibid.: 290) The formula of the general average rate of profit ($P / C + V$) would then enter into the price formula of individual capital as follows: $P = c + v + $ average rate of profit P. And this formula remains finally related to $W = C + V + M$, the formula of the general composition of value on the level of total capital, which means nothing else than that before any division of profit potentially profit-earning commodities must always already have been produced, with which one has to understand equalizing movements ever already as those of j produced commodities. However, one does not have to relate the price to quanta of value (not to total commodity values as so-called crystallized abstract labor), respectively, profits do not have to be traced back to labor values, because this would indeed entail the absurd consequence that enterprises with low productivity and high labor input could achieve the highest profits in the total context of capitals. Production prices as the prices of realized commodities refer instead rather to virtualizations and levelings of value in the virtualization/updating movements of money and price in circulation.

It is often claimed, as e.g. also by Georgios Stamatis, who has presented the law of the tendential fall of the general rate of profit with all necessary mathematical precision, that Marx, among other things, for reasons of theoretical simplification or the necessary reduction of complexity, mostly argues on the level of value, whereas the law, if one wants to understand it as a historical/ singular and necessary tendency (just like the tendency to produce average rates of profit), always takes place on the level of real production and market prices. (Cf. Stamatis 1973: 221ff.) And Stamatis specifies that the equation of total surplus value and total profit is the result of an artificially brought about standardization, which does not yet provide proof that profit originates from surplus value. This proof, however, had been provided by the Japanese economist Okishio, who had worked out the condition necessary for the existence of a positive rate of profit in the existence of a positive rate of surplus value and had thus proved the existence of surplus value. Furthermore, the theoretical decision to equate value and price can only be made if it is true that

in all production processes the rate of profit and the nominal wage rate are the same, and what complicates matters is that in production processes the structure of the means of production consumed must correspond to the means of production employed. (Ibid.: 273) With regard to a consistent representation of the law, it would further have to be presupposed that the sum of cost prices, which as individual quantities of an individual capital deviate from so-called average values, on the level of total capital coincides with the sum of values. Also the procedure of adding a value-oriented general average profit rate to individual value-oriented cost prices of individual capitals, which results from the calculation of the value quantities (m), (c) and (v), in order to finally obtain production prices, would indeed be a tautological procedure, because a profit rate identical in all sectors always presupposes production prices, which, however, are to be calculated here precisely by determining the average profit rate qua value. We would have to deal with the opposite conditions as above, when the prices of production were presupposed to the averages. In the purely price-oriented view of neoclassical provenance, values exist only as prices, because price fixing is ever already performed in markets structured by demand and supply. This inheres in a specific definition of the term "economic market", namely the fixation of order structures of the fractal fragmentations of capitalist forms of capital and enterprise, in which from industrial capital via credit capital to speculative capital multi-linear strands of strategemization converge in time, the results of which are now always supposed to characterize equilibrium. In certain cases, one insists on looking for a uniform allocation rule that sets the price system homologous to the value system. To establish the market equilibrium qua meta-subject, the so-called auctioneer of Walras, by which the interdependencies of the actors on the markets could be regulated, because the auctioneer always assigns the right prices, at which supply and demand coincide, is however no more than dumb utopianism. The auctioneer, who stands for the absent universal algorithm that guarantees uniformity and stability of equilibrium, is part of an imaginary structure, which, moreover, is populated with actors acting intentionally and rationally-.

On the level of individual capital, the question whether the current price of commodities is above or below the so-called social value depends above all on whether the respective capital is of low or high organic composition (organic composition as the intertwining of technical composition and value composition of capital c/v, insofar as the latter reflects the former, whereby here respective price/value changes of c and v must be taken into account). But already in the determination of the organic composition of capital one must, as we have already seen, presuppose the prices of capital elements, although production prices, as is well known, are supposed to arise only from value-based compositions. Should the argument be correct, we would indeed find a weighty problem with Marx, although the critics of Marx mostly assume that we are ever already dealing with the exchange of equivalents. If both applied capital and outputs are expressed in prices, then prices as well as the average rate of profit may well be understood as different/external in relation to value, which is not a problem for value theory if value is treated as present-absent precisely because it insists as a structural problem. (It would be in the critique of all positions of pure price theories just to show this). It is a question here of the virtualization/ updating interconnections already known to us, or of the virtualization of value, which as quantity

cannot be written on at all.

Let us return at this point to the problematics of time, simultaneity and temporalization, which play an essential role in this context. Marx distinguishes between "precondition" and "result" of the production processes and thus refers to the factors causality and time as valid conditions of constitution, which are not familiar to the neoclassical or the neoricardian equilibrium theories in this form. In this context, Sraffa, as a neo-Ricardian theorist, has at least repeatedly pointed out the neoclassical dilemma, which consists in the fact that the rate of profit is to be determined purely from the relationship between supply and demand for the factor capital, although the rate of profit is involved in the fixing of prices (supply) of so-called physical capital, insofar as it is influenced by expectations about future returns. On the one hand, capital determines the rate of profit, on the other hand, its size is determined by the rate of profit. (Cf. Schefold 1976: 163f.) Sraffa therefore poses the question of how, independently of the subjective factors that enter into the relation of supply and demand, there can be objective exchange relations of priced goods that enable the reproduction of the economic system under given technical production conditions and distributions. And it is the task of a system of relative prices, which has as its precondition a very definite rate of profit and a rate of wages corresponding to it, to make this reproduction possible. Marx, in contrast to Sraffa, operates with non-simultaneous systems of reproduction in a similar question; he argues precisely on a causal-temporal basis. (Ibid.: 184f.) Like Kant, Marx insists on the connection between causality and time, even though in many phenomena it seems as if cause and effect coincide here, insofar as temporalization does not become apparent. With regard to capitalist production processes, Marx first foregrounds the temporal connection, insofar as time relations (in production processes) establish a dynamic link between cause and effect. (Cf. Büttner 2013) At the same time, Marx focuses on the simultaneous macroeconomic relations of total social capital, but contrary to the simultaneous systems of equations of the neo-Ricardian variety, which determine the inputs and outputs of production processes simultaneously (the physical interconnectedness of inputs and outputs is a condition of the calculation of relational production prices), Marx takes into account a temporal difference precisely in the diverse production processes at the same time: Inputs are considered as a condition of individual capital that is already fixed in size, and it must be remembered that the production prices of outputs are not to be calculated within the same time interval as the production prices of inputs. (Cf. Mandel 1991: 213)

At this point, according to Ernest Mandel, certain equilibrium or simultaneous theories eliminate the processuality or temporalization structure of production processes, whereas the valuation of inputs and outputs should be understood precisely as causal processes in time. Mandel writes: "In other words, supplies (inputs), purchases in current production cycles are data that are already given at the beginning of this cycle, and they have no feedback effect on the equalization of the rate of profit in the various branches of production during this cycle. It is enough to assume that they are also calculated in prices of production and not in values, but that these prices of production result from the equalization of the rate of profit during the preceding cycle of production, in order to make inconsistencies disappear." (Ibid.: 214) Thus, a temporal separation is made here of inputs, whose prices are already translated values of a previous period of

production, from outputs, which have undergone transformations organized by ongoing production processes, resulting precisely in new prices of production, in order to influence "value relations" again in the next cycle. Büttner concluded that the problem of so-called feedback effects in the context of simultaneous models would lead to setting the production time of outputs as zero time and to simply deny causal relations between inputs and outputs. (Cf. Büttner 2013) So-called. Feedback effects would thus imply the paradox that resulting quantities could have an influence on themselves before they emerge, while yet value system and production price system would indicate different temporal stages of production and circulation. Moreover, this would not take into account the genuine property of labor, namely to be a process in time, and the fact that one has to date means of production and produced goods (the former before, the latter after the labor process). To describe production processes as value creation would mean to always anchor them in time and space. However, even in this case, contrary to Büttner's intention, one does not have to resort to the labor theory of value or to value quanta, because the difference between labor and labor power, always expressed in monetary terms, refers to the differentialization of value itself. In this, labor per se is enfolded in a semiotic structure.

Mandel's argument that the constant supply of data streams in a current production period of an enterprise would have no influence on the averaging of the rate of profit, because it suffices to assume that the current production prices of the enterprise would be based on equalizing movements of the rates of profit of the preceding period, undercuts the fact that both the data on these supplies and the information on the respective compositions of the individual capitals are always incomplete, whereby under the aegis of uncertainty the actualization processes of values already reach a limit, i. e., all formations of average rates of profit are already incomplete. e. any formations of average rates of profit are therefore to be understood as tendency (of a law). Movements towards the average – the latter term is inscribed by Marx as an impossible concept – are not to be set identical with the empirical and factual equalizing movements of an economy. (Strauß 2013: 199) Indeed, this would also eliminate any tendency towards entropy, and this on the basis of complete informedness of firms. (Ibid.: 292) Here, too, a gap is opened up which, due to the lack of perfect transparency (in circulation), articulates itself precisely as room for maneuver for new strategies of productivity increase in the individual companies or at the level of the organization. It is the differentiation processes of the various capitals on the level of capital as a total complexion that determine the respective levels of price formation via realization processes qua averaging and at the same time via the attainment of extra profits, in the game of temporalization of time (simultaneity) and temporalization (succession), whereby the levels of prices are treated in the representation as if value creation processes based on the data from the past would be able to prevail largely unproblematized and/or linearly, which in turn can only be discursively grasped in all its post-sustainability. Average rates of profit for Marx always indicate a certain post-sustainability, as if rates of profit were directly based on rates of surplus value. And the term tendency takes on an exact meaning here with Marx, insofar as the differential accumulation dynamics with its drive to average formations is always to be considered in its dependence on the capital structure as total capital, i.e., the effects of the economic structure would have to be analyzed in their unilaterality as a tendency, which as a constant (idempotence)

contains a determination of specifically repetitive rhythmologies, with which, however, one has to grasp not only the effects but also the counter-effects with respect to the law. Thus, for example, the counter-effects against the tendential fall of the general rate of profit are not to be attributed to external circumstances, but precisely in their negativity they remain immanently related to the virtualization potential of the capital structure, which they restrict or just extend.

Let us return to the problem of tracing prices back to values or labor values (values as determinants, with which the more advanced Marxist approaches such as those of Heinrich/ Schlaudt still struggle, but which always start from individual capital in their consideration). The direct foundation of values in (concrete) labor or labor time would indeed, as we have already seen, lead to the absurd consequence that e.g. a producer who needs ten hours of labor time for a product would create twice the value compared to another producer who needs only five hours of labor time for the production of the product. Therefore, the total complexion of capital must always be assumed, with which, from a macroeconomic perspective, the metamorphoses of capitals and their turnover times are to be understood as a quantitative actualization of the virtualization of value, which in turn is peculiarly leveled in actualizations that already take place. (Ibid.: 291) The determination of the total mass of commodity value ex post is to be understood as a mere simulation, as if an (imaginary) quantum of value preceded its actualization. This leads to the assumption that we are not dealing with redistributions of values between individual capitals in the equalizing movements that lead to price-fixed, average profit rates, but that circulation would actually be understood as a setting instance itself here, whereby the fact that creation of value takes place in production is not tangent to this. Capitalist production must lead to the realization of goods as commodities in circulation, without enterprises being able to determine their respective quantities in advance, while, conversely, circulation remains bound to the volume of production via the effect of economic mathemes. In this context, circulation as a possibility of exchangeability always refers also to physical quantities, i.e. use values. Harald Strauß describes the actualization of a virtual, non-quantitative dimension of value as the condensation of value as a differentiator, whereby the difference between labor and labor power would also be actualized with it. (Ibid.: 286f.) The production of the average profit rate, too, should be understood as an effect of the differentiant value, which would inscribe physical quantities into the semiotic level of the price form.

So what is behind Marx's idea that total surplus value is "distributed" among different individual capitals qua average? It is assumed, on the one hand, that plural capitals extract and realize surplus-value only with the help of wage-dependents as an aggregate, who buy back parts of what they produce; on the other hand, that surplus-value appears as invisible (it is a quasi-transcendental condition) to individual capitals. If one assumes, as in the case of the left Ricardians, that surplus-value is exclusively the result of an extraction originating in the production process of a single capital, and that profit is the result of corresponding redistributions at the levels of total capital, then, of course, one immediately encounters the following problem: Individual capitals with a high organic composition and relatively low labor inputs would realize "unfairly" high rates of profit on the markets, and here is the point at which Marx considers an explanation to be necessary, which simply consists in the representation that

the profits that individual capitals achieve are the result of the distributions and settlements necessarily arising from differential processes of accumulation, which take place via averaging in competition, whereby circulation sets the procedure for profits, but does not produce surplus value. And surplus value as well as total surplus value are non-quantitative abstract determinations, so that it seems impossible to redistribute quanta of value; rather, circulation affirms the actualization-virtualization interconnections of value qua semiotically organized price formation processes, so that the analysis must always already have the processes of differential accumulation on the level of the total complexion of capital in view. (Total complexion is subdivided in terms of particular capitals into the following departments of capital: production, consumption and luxury goods; industries within these departments and individual enterprises). With the production of average general rates of profit, surplus value is always transferred from one sector to another, and this is to be read in Marxian terms as meaning that individual capitals with high organic composition of capital tend to absorb the surplus value of capitals with low organic composition. In enterprises in which every part of production is automated and the use of variable capital tends toward zero, and hence the surplus-value rate tends toward zero, an average or even above-average rate of profit is nevertheless obtained, because the virtual surplus-value of total capital is not redistributed on the basis of the productivity flows outlined above (beat-the-other in the course of the sale of commodities of the dominant capitals above their individual and at or below the social average value), but is actualized in circulation in this way and not otherwise under the horizon of the virtualization of value under penalty of the demise of total capital. Highly profitable enterprises with relatively few employees, think for example of today's information and investment industries, do not extract surplus value directly, but always only indirectly.

In this context, the immanent processuality of capitalization is indeed always related to a capital structure that is by no means static, but rather a virtually circulating capital structure, which, contrary to the assumption of an autopoietic closure of the system, is moreover ever already torn and split (just as the Kantian transcendental ego is ever already split and torn). Differential accumulation of capital opens up from topological juxtaposition (symbolizable "space" as regulated order of juxtaposition, co-existence) and simultaneity, i. e. temporalization of time, and it has to actualize. (Simultaneity/virtually circulating capital structure and temporalization/virtually fixable capital circulation as well as permanent actualization). (Cf. Schwengel 1978: 305) Capitals are thus not IN TIME, but in time, i. e. time that is detachable from the temporal event is a (necessary) transcendental fiction, which then shows its dogmatism when detachable time is identified as space, be it that of pure presence or that of a fiction of empty place (Vaihinger). "Network-like structures" in this context would then mean that structures with their features of finite, unqualified relation and unspecified elements are taken to be operational sets that indicate certain effects and functions of relations without qualification of content or without ontological unity (Bourbaki). The determinations corresponding to this are therefore to be oriented purely to links, as deduction, induction, analogy, reciprocity, reversibility, peer to peer, cybernetic feedback processes, and so on. Networks are intricate, complex formations that formally represent an unstable situation of power and the corresponding mobilities, and this in order to organize model

constructions that form the content of the formal structure, as it were, in comparison to other model formations. Michel Serres took up this logic and rejected not only a radical pluralism that wants to think the complete independence of elements or subsets, but also a universalism that subjects the intrinsic logic of subsets to a global law; which in turn brings us back to the question of the "law of value" that has to prove its own invariance again and again by repetition: Quasi-transcendentality of capital would have to be thought as the effect of effects signifying results of the repetitive activities of the individual capitals, whose structural relations have to be of primary interest. Especially in the second volume of Capital, Marx treated the structural problem of capital from the point of view of the stability of the simple and the extended process of reproduction. (MEW 24: 107ff.) If in this context Marx assumes to consider the analysis of reproduction only in its result (which of course produces effects; quasi-transcendentality), then he insists on the necessity of constructing a system of synchronic relations, but not to lose sight of the diachronic movement or differential accumulation. Althusser/Balibar speak regarding synchrony of a fictive simultaneity of all movements. (Cf. Althusser/Balibar 1972b: 356) In fact, Marx insists in many passages on the concept of synchrony as the correct conceptual conception of a specific division, interconnection and organization of the elements and relations within the capital structure, when he speaks, for example, of the intertwining of the circuits of individual capitals and their integration on the level of total capital, which produces effects as a structural connection. (MEW 24: 353f.) At the same time, in contrast to simultaneity, he also emphasizes the successive moment of the reproduction processes, because, among other things, the preconditions of the reproduction process are not identical with their result, at least on a quantitative level. The outputs cannot exist simultaneously with the inputs; rather, temporalized, causal production processes take place. And certainly, the relation of synchrony and diachrony, of validity and genesis, cannot be broken down solely historically-empirically, but here, with Harald Strauß, the question arises of how a timeless transformation of value (synchrony) produces a change, i.e. realization of capital takes place, which makes the respective forms of value and capital qua money valid. (Cf. Strauß 2013: 304f.) If the semio-economic syntheses or the economic mathemes merely testify to the "law of value," then the problem always arises of how this law is actualized (diachrony) by giving validity to the economic semioses, as it were, in the first place. And actualization, as we have already seen, produces différance or the deferred presence of capital, but in it it also indicates that it requires an expression-creating "principle", i.e., the quasi-transcendentality of capital, which constitutes the regularities in the first place, and this within the framework of a timelessness that the concept has to recognize as the "pre-temporality" of the law. On the other hand, both the conditions of validity and the validity are not possible without actualization, and this diachronic aspect again refers to empiricism. But if now the addition of empirical cases has long since not produced a law, because the law "underlies" all cases, but is itself literally nothing without actualization, then a gap opens up here, the closing of which the concept can only simulate, insofar as it finally (be)says that it is the law itself.

Objections to Marx's description of the transformation of value and price arose early on, e.g., Bortkiewicz argued that Marx's way of presenting the problem could not work because Marx had

committed a fundamental error within his analysis from the outset insofar as the hypothesis that values of commodities can be transformed into prices of production without further ado on the basis of the assumption of an average profit would ultimately presuppose that from the outset the values of the original investment are to be expressed in prices of production. (Cf. Büttner 2013) Therefore, Marx could by no means come up with the assertion that the total value production or the total mass of commodity value was identical with the production price system (on the total capital level) and thus the total surplus value with the total profit. Bortkiewicz, on the other hand, had constructed his own model on the assumption that all commodities or costs entering the production process can be simultaneously converted into prices of production, further assuming that the present price of inputs is fully incorporated into the future price of outputs. We cannot take up at this point the discussion of the neo-Ricardian influenced equilibrium models à la Sraffa that follow. We only briefly refer to the fact that the American economist Andrew Kliman has tried to show in this context that there is no compulsion at all to transform the so-called values of inputs entering the production processes into prices once again, since they are, after all, always already based on prices of outputs. Bortkiewicz, Kliman argues, is working away at an illusory problem or, at best, imaginary problem (imaginary, insofar as different or disparate problems are concentrated on one question), since in Marx value is sui generis expressed in money/price. (Cf. Kliman 2006) If, for example, one takes up the sale of a machine, which has a price as the result of a production according to the costs of the consumed raw materials, the fixed cost share, the wages and the profit, then, if it is used in a further production process after the sale, it does not need to be priced out again, because this machine was per se already acquired or rented with monetary means. (Ibid.) The "value" of the elements of constant and variable capital is ever already to be understood in monetary terms, which is affirmed with the purchase of new production inputs. However, "precondition" and "result" of the valorization movements of capital are to be distinguished here. Marx wrote in the second volume of Capital, in his critique of Bailey, "that value functions as capital value or capital only insofar as it remains identical with itself and is compared with itself in the various phases of its circulation, which are by no means contemporary, but fall one after the other." (MEW24: 110) Value-oriented cost prices are quantitatively determined at the beginning of the production process and are not subject to any revaluation in the course of the production process; they are themselves results of production processes and are thus regarded at the beginning of a production period as a precondition for further productions. Kliman and the so-called TSSI authors understand the cost price as a temporally constituted and at the same time invariant quantity for individual capital, which is already fixed with the investment in the means of production spent at the beginning of the production process. This cost price would be understood in terms of individual capital as an "exogenous quantity", it takes the place of the physical quantity data of the simultaneist models à la Bortkiewicz and Sraffa as a constituent, whereby the value-based cost prices, however, do not represent values laid out before a profit rate equalization, but they are precisely already the result of an averaging of profit rates. (Cf. Büttner 2013) The means of production that make up the cost price are bought with money, and this is understood by Kliman as analogous to the value-form analysis, i.e. the sum of money invested in means of production is considered a "money-form expression of labor time," a quantitative connection between money-form and value-substance.

According to Kliman, Marx would have understood in KapitalBd.1 he would have demonstrated the emergence of the money form at the same time as the value form and already noted here that money in its first function as a measure of values is the necessary manifestation (external measure) of the immanent measure of abstract labor or of the abstract labor time incorporated in the commodities, so that there would actually be no reason at all to speak of an impermissible transformation of labor values into exchange values/prices, as the economists Bichler/Nitzan, for example, also do in their critique of Marx (cf. Bichler/Nitzan 2009: 31). Due to the existence of commodities as results of capital, capitalist production processes always already result in price relations (assuming value as a determinant). This would be an argumentation that can be related to the representations of Heinrich/Schlaudt on value and price, while Kliman, however, still much more forcefully focuses on the moment of temporalization of capitalist production processes, on the succession of capital movements also with regard to the formation of the average profit rate. For him, in temporal/successive terms, there is no need at all to transform the values of inputs entering the capitalist production processes into such prices based on outputs. The prices paid for goods that enter or are necessary for production do not change simultaneously with the prices of the outputs that are called or realized after the production of goods. Kliman accuses the so-called simultaneousists, among other things, of keeping the prices of inputs and outputs identical. (Cf. Kliman 2006) Because a temporal-causal understanding of the transformation of value and price prevails in Kliman & Co, which wants to show the relation of value and price level at every point of capital reproduction, this model is called "Temporal Single System" (TSS). Temporality refers to the reproduction process of capital, which is to be understood in a causal-temporal way, and "Single System" testifies to the rejection of the duality paradigm of equilibrium models that assume strictly separated levels of value and price. (Cf. Büttner 2013) For Kliman, constant and variable capital meant purely monetary quantities, as investment quantities bought in money and thus quantitatively invariant in the coming process of valorization, whereby necessarily output prices do not have simultaneous repercussions on input prices of an already completed production period, but only determine input prices in the following period.

Linear models explaining the reproductive capacity of capital, such as those of Sraffa and Bortkiewicz, are equilibrium models, whereas Marx investigates the emergence of an equilibrium state from a state of disequilibrium, vice versa. The respective value creation of individual capitals can be conceived as an disequilibrium, which is transformed into a new equilibrium through the mechanisms of competition, which in turn is disturbed by new strategies of the individual capitals. In this process, competition enforces the process of equalization by bringing about effects in a very specific rhythm, without, however, thereby already determining the respective level of production. Marx shows this in the context of the analysis of a synchronic structure, which, however, itself possesses an inner temporality. (Cf. Althusser/Balibar 1972b: 388) Kliman interprets Marx to the effect that he would have taken into account exactly the interaction between the unbalanced microeconomic production of surplus value (individual profit) and the macroeconomic leveling (equilibrium in average profit). The argument would possess its strength precisely in the fact that it analyzes the process of transforming disequilibria (value system and surplus value) into equilibria (price system and circulation), whereas the simultaneous models

would just know equilibrium states. (Cf. Büttner 2013) If Marx is accused of describing the same commodity on the one hand as value (as far as it appears in the cost price) and on the other hand as production price (as far as it is the result of a production process) with respect to different quantitative valuations, this criticism, according to Kliman, always follows a simultaneist perspective. We have already commented on this.

To illustrate Kliman's train of thought once again, assume, for example, two commodities whose production requires the same amount of (direct and indirect) labor time, but the monetary capital invested in commodity A is realized already after one year, that of commodity B only after three years. Now, if one exchanges commodity A for commodity B, the amount of money capital invested in commodity A would yield greater profit in the three years than the same amount invested in commodity B, because one has to take into account the progressive increase in interest on the money capital of commodity A. In the case of an identical rate of profit of the two sectors, commodity B, in order to realize equilibrium, would simply have to exchange more frequently, with which one already sees here that an all too banal labor theory of value does not lead to a correct price theory for a long time. For the problem here is, among other things, that one needs the parameter average profit rate to determine the prices and, conversely, the prices to define the average profit rate. If for Kliman the output prices differ from the input prices and the individual capital has to calculate in the next production period with always new output prices, it seems quite clear that both the prices of goods A and B and the identically held profit rates change from period to period. Kliman thus performs calculations for two commodities using simple arithmetic methods, assuming arbitrary prices for each of the factors of capital investment, wages, and surplus at the outset, while at the same time assuming a constant conversion of value-based labor time into prices, and then, given identical profit rates, calculating the different prices in a value-based and at the same time highly temporal system. Finally, the procedure of iteration can be applied at this point, by which, assuming average profit rates and using output prices as new input prices for the next production period, one comes to the conclusion that at some point output and input prices will converge and thus profit rates for both sectors will also converge and stabilize in quite real terms. Interestingly, such iterated prices would at some point be the same as in a static system where one calculates relative prices and profit rates simultaneously. Thus, one starts with arbitrary prices, assumes as a basic condition an identical profit rate for at least two sectors and an identical conversion of abstract labor time to price, and then iterates the system of output prices through several periods until another iteration produces just no further change in the variables, thus proving the need for an average profit rate. The American economist Anwar Shaikh assumes that Marx would probably have had exactly this method in mind to show the profit rate movement, but would probably have ended the process already after the first iteration. (Cf. Shaikh 192) And Kliman would then assume, quite similarly to Marx, that what he himself calculates purely in the medium of a theoretically calculating machine must actually take place in the real historical and singular time of a real economy.

translated by deepl.

META

CONTACT
FORCE–INC/MILLE PLATEAUX

IMPRESSUM
DATENSCHUTZERKLÄRUNG

TAXONOMY

CATEGORIES
TAGS
AUTHORS
ALL INPUT

SOCIAL

FACEBOOK
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